As long as the bells own the local loop (last mile) they can never be classified as non-dominant. The utility of the copper pairs leading from the home to the local central office is obvious, and the control over the connection, maintenance, and replacement of said copper pairs conveys an enormous amount of power. Declaring a bell as non-dominant would be like declaring Microsoft no longer a monopoly. Because they control access to a needed resource, they can destroy competitors by occupying all available space, refusing to expand facilities, and blocking competition on a variety of fronts. If the bells were allowed to refuse access to their COs and local loops, then how would competitors offer DSL or phone service? Very simply, they wouldn't and they'd all be wiped out, overnight.

For example, I'm still waiting for number portability in my local area, but since my phone provider won't offer it, I'm stuck, even though I've been paying the number portability fee for years. When deregulation passed, I envisioned being able to select from Verizon, or Pac Bell, or some other party for phone service. So far, I'm tied to Verizon because the local CO is pretty much nothing but Verizon. My phone number is tied to their exchange, and I can only get alternate phone service by piping it over DSL, which is the only service I can get from an alternate provider (Covad.)

The only way for bells to be declared non-dominant is if they gave up control over the last mile and handed it over to a local government or non-profit (cooperative) entity. Otherwise, their de-facto monopoly power over their respective service areas means that they are, and will continue to be, dominant competitors, no matter what they say.